

May 12, 2026

Mayor and Council City of Victoria
1 Centennial Square
Victoria, BC V8W 1P6

Sent via email: Mayor@victoria.ca; Councillors@victoria.ca

Re: Council Member Motion - Strategies and Resources to Require Cooling (26C maximum) in Victoria's Rental Buildings

LandlordBC is the non-profit industry association representing owners and managers of rental housing in British Columbia. LandlordBC's mandate is to support a balanced and healthy rental housing ecosystem with an emphasis on private sector solutions.

This letter is regarding Council Member Motion - Strategies and Resources to Require Cooling (26C maximum) in Victoria's Rental Buildings for the Committee of the Whole meeting of May 14, 2026.

LandlordBC and the broader rental housing industry support the City's commitment to tenant health during increasingly frequent extreme heat events. However, the proposed requirement to maintain a maximum indoor temperature of 26°C in at least one living space presents significant financial and operational challenges that the current program pathways do not fully address.

Our core concerns with what is proposed fall into two categories – electrical and infrastructure capacity and financial implications.

Electrical and infrastructure capacity: Many existing rental buildings lack excess electrical capacity to accommodate cooling solutions. In some cases, neighbourhood electrical infrastructure may also be insufficient. Upgrades under these conditions can be extremely costly, and building operators have few avenues to recover, or in some cases finance these expenses.

Financial Implications: In Victoria and jurisdictions across the province, rental rates are declining. Even with an allowable annual rent increase, or an Additional Rent Increase (ARI) for capital expenditures, it may not be feasible to recover the required capital investment. Without income growth, rental building operators cannot access financing to fund these upgrades. Property taxes are one of the largest components of operating a rental building. In the City of Victoria, property tax increases have consistently exceeded inflation and the BC annual allowable rent increase.

Combined with declining rents, this trend places significant financial strain on rental properties and jeopardizes the ability to comply with additional costly upgrades, regardless of the intentions of rental building operators.

To implement a feasible and effective program, we urge Council to consider:

- **Extensive Industry Consultation:** Engage rental building operators and landlords through LandlordBC to assess operational realities, costs, and feasible implementation strategies. Furthermore, LandlordBC is actively pursuing energy efficiency, decarbonization, and cooling solutions through programs like our Rental Apartment Retrofit Accelerator Program (RARA) and the learnings and solutions derived from our sustainability work and partnerships could very much inform the City's objectives.
- **Assess Electrical Capacity and Upgrade Costs:** Work with BC Hydro and LandlordBC to evaluate building and neighbourhood electrical capacity and clearly disclose anticipated upgrade costs to provide transparency and planning certainty for rental building owners.
- **Cost Recovery Mechanism:** Establish a program whereby unrecoverable costs—those that cannot be recouped through rent or ARI Increases—are recoverable via property tax adjustments, incentives, and rebates. This ensures compliance is financially feasible while maintaining rental housing viability.

Without aligned financial mechanisms, clear cost projections, and a practical cost recovery framework, this proposal risks placing rental building operators in an untenable position. We encourage Council to collaborate with LandlordBC to develop solutions that protect tenants while maintaining the financial and operational viability of rental buildings.

We would appreciate the opportunity to meet with staff and Council to discuss practical pathways for implementation and cost recovery, ensuring this policy achieves its intended outcomes.

Sincerely,



David Hutniak
CEO
LandlordBC

CC: Jocelyn Jenkyns, City Manager, City of Victoria
William Doyle, Director of Engineering and Public Works, City of Victoria